

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Call to Order: By **CHAIRMAN JOHN BRUEGGEMAN**, on January 21, 2003
at 8:05 A.M., in Room 317-B Capitol.

ROLL CALL

Members Present:

Rep. John Brueggeman, Chairman (R)
Sen. Rick Laible, Vice Chairman (R)
Sen. Gregory D. Barkus (R)
Sen. Mike Cooney (D)
Rep. Monica Lindeen (D)
Rep. John Sinrud (R)

Members Excused: None.

Members Absent: None.

Staff Present: Matt Bugni, OBPP
Greg DeWitt, Legislative Branch
Amy Sassano, OBPP
Misty Shea, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed. Tape stamps indicate information that is found below.

Committee Business Summary:

Hearing(s) & Date(s) Posted: None
Executive Action: Department of Administration

{Tape: 1; Side: A; Approx. Time Counter: 2 - 13}

CHAIRMAN BRUEGGEMAN introduced the ITSD discussion, **Brian Wolf** began with DP 317 (Reference Page A-219 of the Budget Analysis book). He spoke on the status of DP 701 and 709, as he had previously been in front of the committee in relation to them on Jan. 15, 03. **Greg DeWitt, LFD**, and **Mr. Wolf** addressed questions from the members on funding and appropriating related to the DP's. **Mr. Wolf** asked how the committee wanted to proceed through the rates and adjustments Pages A 222-223. **Mr. DeWitt** referred to the LFD issue on Page A-223, explained the request for a working capital rate, and made suggestions on how the committee could handle their approval. **Mr. Wolf** in respect to **Mr. DeWitt's** comments, talked about estimated working capital, the purpose of the request, and the surrounding circumstances. He stated ITSD has to be able to respond to changing technology. Maintaining a flexible balance of working capital would allow them to do that.

{Tape: 1; Side: A; Approx. Time Counter: 13 - 30}

SEN. COONEY asked Mr. Wolf to explain the other rates in Figure 7A on Page 222, and discuss rate setting. **Mr. Wolf** said the rates are for service utilization, and he spoke about how the ITSD has to build their rates early. **SEN. COONEY** and **REP. SINRUD** discussed their concerns with IT costs and planning with regard to the agencies. **Mr. Wolf** gave an example of not raising the Oracle network rates in the interim. He explained the importance of ITSD working closely with the agencies in the future on maintaining fixed costs. **SEN. COONEY** asked if Oracle was working out. **Mr. Wolf** replied that they are very happy now that people are trained on how to use it. **REP. SINRUD** asked Mr. Wolf to explain what the agencies are provided and charged for by ITSD. **Mr. Wolf** answered by explaining desktop services rates. **Tony Herbert, Deputy CIO**, commented on providing the software applications required for agency use and managing the contracts. He stated that the agencies own their PC's and purchase the hardware. **REP. SINRUD** and **Mr. Wolf** then went over the differences between owning a home computer system versus operating an interconnected interfaced network that requires licensing. They addressed: state procurement, standardization, accountability of product, developing a need model, and PC disposal.

EXHIBIT (jgh12a01)

{Tape: 1; Side: B; Approx. Time Counter: 0.9 - 12}

Tony Herbert, answered questions from **SEN. COONEY** on upgrades, training costs, and licensing new operating systems. **Brian Wolf** addressed how ITSD is in the process of doing a better job with coordinating training and getting more for less. **SEN. LAIBLE** asked Mr. Wolf about the number of computers the state buys a year. **Mr. Wolf** did not have a definite answer but replied that the estimate is 11,500 projected devices on a four-year life cycle. **SEN. LAIBLE** and **Mr. Wolf** then discussed model cost and management. **Tony Herbert** said computers cost between \$1,850-\$3000 depending on the type of device. He said most state workers need a standard PC in the lower range. **Matt Bugni, OBPP** pointed out that the agency budgeted \$1,351 per computer on the four-year cycle.

{Tape: 1; Side: B; Approx. Time Counter: 12 - 30}

Brett Dahl, Risk Management and Tort Defense, awaited further questioning while **Mr. DeWitt** reminded the committee that the division is proprietary funded. There was no further discussion.

The committee moved forward with the state Personnel Division. **John McEwen, Administrator**, stated for **SEN. LAIBLE** that the state has been working for twenty years to establish a daycare as an employee incentive. He gave background information and stated that they do contract with a private provider. The state benefits as it competes with other employers for employee retention. **Mr. McEwen** spoke on benefits for those without children for **SEN. BARKUS** who expressed his own thoughts on subsidy as being unfair. **SEN. BARKUS** wanted to know if DP 2304(Reference Page A-235 of the Budget Analysis book) is not approved what the rates will go to on a monthly basis. **Mr. McEwen** replied around \$30 per child, and the money pays for the building rent. **Mr. McEwen** said state agencies in Helena see it as a real benefit to the workforce. **SEN. COONEY** commented to **SEN. BARKUS** in agreement with Mr. McEwen, that he was involved in the inclusive development process and the concerns being addressed now were expressed then. He stated full support was rendered thereafter. **SEN. COONEY** and **SEN. BARKUS** agreed on the need for service but not for the subsidy.

Mr. DeWitt talked on the LFD issues regarding training and the rate increase on Page A-237. **Mr. McEwen** spoke on the rate projections as being cheaper than the competition, and the importance of the training groups on management and communication. He relayed fear of cuts.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 16}

Mr. McEwen and **REP. LINDEEN** discussed the Professional Development Center utilization. There were 3,285 participants in 2002, with the numbers staying pretty consistent since 1989. **SEN. BARKUS** wondered why the agencies do not contract for their own training. **Mr. McEwen** replied that they do for some things. He elaborated and said what the state provides is critical to their way of operating. **Director Darkenwald** commented that this is an area that has been looked at frequently to determine if deliver ability is vital. He needs to be convinced of necessity on a regular basis. **REP. SINRUD** asked to be shown where certain categories of expenditures fall on agency sheets he was reviewing. **Mr. McEwen** and **Cathi Muri, Financial Services Division Administrator** explained education and training costs related to specific questions. **SEN. BARKUS** and **Mr. McEwen** reviewed actual training hours and revenue.

{Tape: 2; Side: A; Approx. Time Counter: 16 - 30}

Mr. DeWitt began the discussion of the employee benefit program on Page A-238 and payroll processing on Page A-240, with the LFD issue on Page A-242. **Mr. McEwen** spoke on payroll fees as being part of the working capital reserve. **Mr. DeWitt** disagreed, and they were to verify the rate request prior to executive action. **REP. LINDEEN** suggested that the committee get a list of all the different kinds of rates, and a historical perspective on approval before taking any action for consistency. **CHAIRMAN BRUEGGEMAN** responded and agreed.

EXHIBIT (jgh12a02)

Mr. DeWitt spoke on the Flexible Spending Accounts Program (Page A-242), then **Mr. McEwen** proceeded with an explanation of the state recruitment advertising proposal. **REP. LINDEEN** questioned whether or not agencies had asked for vacancy advertisement consolidation and if research on cost savings has been done. **Mr. McEwen** replied no to the agency question and yes to researching spending in which he detailed. He, **REP. LINDEEN**, and **SEN. LAIBLE** discussed the proposal: participation, costs, rule authority, and savings. **Matt Bugni, OBPP**, commented that either the budget director or governor would handle the plan with respect to the agencies. **SEN. BARKUS** and **REP. LINDEEN** discussed with **Mr. McEwen** having specifics to go on in order to drive down the budget if this proposal would help do that.

{Tape: 2; Side: B; Approx. Time Counter: 2 - 13}

EXECUTIVE ACTION-DEPARTMENT OF ADMINISTRATION

Executive Action on the indirect costs beginning on Page A-167 of the Budget Analysis book. **Mr. DeWitt** reviewed Figure 1 for the committee and what movement of DP 315, 316, 317, and 318 would do as part of a global language.

Motion/Vote: SEN. LAIBLE moved DP315-318 as established on Figure 1 Page A-167 of the Budget Analysis book for the programs. Motion carried unanimously 6/0 by voice vote.

For the purpose of clarification this motion did include the Appellate Defender as it is administratively attached to DOA.

Mr. DeWitt reminded the committee that it is typical to establish a base for the DOA and that the General Fund portion is already established for them. He explained what the motion would be and what it does for their direction.

Motion: SEN. BARKUS moved to approve the FISCAL 2002 BASE FOR THE STATE SPECIAL REVENUE and FEDERAL SPECIAL REVENUE, AND STATEWIDE PRESENT LAW ADJUSTMENTS FOR ALL FUNDS.

Discussion:

SEN. LAIBLE asked for a further explanation of what they were doing. **Mr. DeWitt, LFD**, explained that the Joint Committees of House Appropriations and Senate Finance already set the base for General Fund at the fiscal 2000 level (Reference table Page A-169 of the Budget Analysis book).

Vote: Motion carried unanimously 6/0 by voice vote.

{Tape: 2; Side: B; Approx. Time Counter: 13 - 32}

Governor Elect Program

Present Law Adjustments

Motion/Vote: REP. LINDEEN moved that DP 201 GOVERNOR-ELECT APPROPRIATION BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

Administrative Services Division

Present Law Adjustments

Motion/Vote: SEN. BARKUS moved that DP 301 RENT INCREASE LOCAL GOVERNMENT SERVICES BE ADOPTED. Motion carried unanimously by voice vote 6/0.

Motion: SEN. LAIBLE moved DP 306 FUND BURIAL PRESERVATION BOARD.

Discussion:

SEN. LAIBLE encouraged the DOA to look for co-funding from the federal government to cover costs as previously discussed. Greg DeWitt, commented that he could add non-binding language in the narrative of HB 2. SEN. COONEY and SEN. BARKUS spoke on the agency having to fund it irregardless due to statute. REP. SINRUD in the essence of there not being human skeletal remains stated that he would not support funding this. Steve Bender, DOA Deputy Director, expressed his concern about being sued at some point if the agency is unable to comply. REP. SINRUD agreed to funding at a minimal amount. SEN. LAIBLE acknowledged the need to look at the agency as a whole coming in under budget. He stated his concern is with the long-range effects of not voting for it.

Vote: Motion carried 4-2 by roll call vote with REP. SINRUD and SEN. BARKUS voting no.

Motion: REP. LINDEEN moved DP 307 INCREASE FTE FOR CONSUMER PROTECTION.

Discussion:

SEN. BARKUS, CHAIRMAN BRUEGGEMAN, and Mr. DeWitt discussed the level of fund balance resulting from settlements and fines as a relative level of assurance that the bills would get paid out of it first. REP. SINRUD and Mr. DeWitt had a discussion on the result of appropriating this as a one-time-only. Matt Bugni, OBPP, commented that as an alternative the committee can request a report back from the department on the appropriation. Mr. DeWitt said he would include this in the narrative of HB 2 if the members agreed. The committee agreed to including the requirement for a report in the narrative to HB 2.

Vote: Motion carried unanimously 6/0 by voice vote.

Mr. DeWitt explained DP 309 and clarified the funding movement.

Motion/Vote: REP. SINRUD moved that DP 309 INDIRECT FIXED COSTS BE ADOPTED. Motion carried unanimously by voice vote 6/0 with SEN. COONEY voting by proxy.

Motion/Vote: SEN. BARKUS moved that DP 310 POLICE RETIREMENT FUND REDUCTION BE ADOPTED. Motion carried unanimously by voice vote 6/0 with SEN. COONEY voting by proxy.

New Proposals

Motion/Vote: SEN. BARKUS moved DP 303 RETURN TO FEDERAL PORTION OF STATE FUND DIVIDEND as a RESTRICTED APPROPRIATION. Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

Motion/Vote: REP. LINDEEN moved DP 311 FUND SWITCH 0.33 FTE-HB 2 Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

Motion/Vote: REP. LINDEEN moved that the following language to HB 2 BE ADOPTED: "Item 2 [Admin Financial Serv Division] includes a reduction of \$229,571 in fiscal year 2004 and \$229,571 in fiscal year 2005 of general fund money and like increases in state special revenue that are contingent upon passage and approval of House Bill No. 126 in a form that provides for fines to be deposited in a state special revenue fund. If House Bill No. 126 is passed and approved and revenue deposited in the state special revenue fund is less than the amount of state special revenue contained in item 2, there is appropriated from the general fund up to \$200,000 in fiscal year 2004 and \$200,000 in fiscal year 2005. If House Bill No. 126 is not passed and approved, state special revenue in item 2 is reduced and general fund money is increased by \$229,571 in fiscal year 2004 and by \$229,571 in fiscal year 2005." Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 21}

Architecture and Engineering Program

Present Law Adjustment

Motion/Vote: SEN. BARKUS moved that DP 401 OTHER FIXED COSTS BE ADOPTED. Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

General Services Program

Present Law Adjustment

Motion/Vote: SEN. BARKUS moved that DP 601 ADJUST MANAGEMENT SERVICES FIXED COSTS BE ADOPTED. Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

New Proposals

Motion/Vote: REP. LINDEEN moved that DP 611 USE CAPITAL LAND GRANT FOR MAJOR MAINTENANCE BE ADOPTED. Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

Motion: SEN. LAIBLE moved that DP 612 TRANSFER AND FUND FTE IN FUELING PROGRAM BE ADOPTED.

Discussion:

Mr. DeWitt clarified that this motion carries no dollars, it moves the general fund positions out and replaces them with authority to provide a transfer to the fueling program that then provides a subsidy. He further explained in response to committee members questions.

Steve Bender, DOA Deputy Director, discussed how the proposal is an accounting move.

SEN. BARKUS proposed to charge the users for the FTE as opposed to the general fund. **SEN. LAIBLE** spoke on changing his motion and decided to withdraw the original motion and move the rates with respect to the LFD issue. **Mr. DeWitt** explained to the members exactly what the new motion would do.

Amy Sassano, OBPP, stated that the removal of the general fund subsidy comes out of the agency budget and increases the propriety budget. She said what the motion does not do is put money in the agency budgets to pay related fees. That would take additional motions and without them \$50,000 worth of cost is spread across state government making the agencies have to find money within their existing budgets.

CHAIRMAN BRUEGGEMAN asked, "Don't any adjustments in the rates get soaked up?" **Mr. DeWitt** answered that the budgets are made with the assumption of the rates presented within. If there is a rate change, then there are two options that the committee can

take action on which he explained. **Marvin Eicholtz, DOA General Services Division Administrator, Mr. DeWitt**, and the committee discussed the increase to the cost of gasoline that could result based on their action (Reference Pages A-212-213 of the Budget Analysis book).

REP. SINRUD and **Mr. DeWitt** went over what the motion on the table would do with respect to the committees control of general fund dollars.

CHAIRMAN BRUEGGEMAN made comments in relation to the role of full appropriations in seeing the recommended authority through. **SEN. BARKUS** and **Mr. DeWitt** spoke further on the available options and handling of expenses.

Motion/Vote: **SEN. LAIBLE** moved that DP 612 TO FUND FUELING PROGRAM BE SELF FUNDING (without General Fund subsidy) BE ADOPTED. Motion carried unanimously 6/0 with **SEN. COONEY** voting by proxy.

{Tape: 3; Side: A; Approx. Time Counter: 21 - 30}

Motion: **SEN. LAIBLE** moved that DP 614 FTE FOR PEOPLE PROCUREMENT MODULE BE ADOPTED.

Discussion:

REP. SINRUD, as he was not present during this portion of the ITSD overview, had **Tony Herbert, Deputy CIO**, explain.

Vote: Motion carried unanimously 6/0 with **SEN. COONEY** and **SEN. LAIBLE** voting by proxy.

Information Technology Services Division

Present Law Adjustment

Motion/Vote: **REP. LINDEEN** moved that DP 707 ALLOCATION OF INDIRECT/ADMINISTRATIVE COSTS BE ADOPTED. Motion carried unanimously 6/0 with **SEN. COONEY** and **SEN. LAIBLE** voting by proxy.

New Proposals

Note: **SEN. LAIBLE** came back into the room.

Motion: **REP. SINRUD** moved that DP 701 PUBLIC SAFETY COMMUNICATIONS BE ADOPTED as a BIENNIAL RESTRICTED APPROPRIATION.

Discussion:

Brian Wolf, ITSD CIO, asked of the intent to obtain federal dollars, can those be carried forward past this biennium with this motion. **Mr. DeWitt** answered that state budgeting law restricts them from doing so.

Vote: Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

Motion: SEN. BARKUS moved DP 709 STATEWIDE ROADWAY CENTERLINE GIS AS A ONE-TIME-ONLY APPROPRIATION BE ADOPTED.

Discussion:

Tony Herbert, Deputy CIO, pointed out to the committee that this is a projected four year project, so they will be back.

Vote: Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

Banking and Financial Services Division

Present Law Adjustments

Motion/Vote: REP. LINDEEN moved that DP 1401 INDIRECT ADMINISTRATIVE COSTS BE ADOPTED. Motion carried unanimously 6/0 with SEN. COONEY voting by proxy.

Note: SEN. COONEY came back into the room.

Motion: REP. LINDEEN moved DP 1402 FINANCIAL INSTITUTION EXAMINER CAREER LADDER BE ADOPTED.

Discussion:

Mr. DeWitt reminded the committee of the LFD issue and he explained Page A-227 of the Budget Analysis book.

{Tape: 3; Side: B; Approx. Time Counter: 0.2 - 13}

REP. SINRUD asked questions regarding the level of pay increases and **Mr. DeWitt** outlined for him what the plan is for the DP, and the options the committee has in appropriating it. **SEN. BARKUS** spoke in favor of full funding as he fully recognizes the need. **SEN. LAIBLE** spoke in favor as well. **REP. LINDEEN** asked for a

further explanation of the broadband pay process which was provided by **Mr. DeWitt**.

Vote: Motion carried unanimously 6/0 by voice vote.

Motion/Vote: SEN. LAIBLE moved DP 1403 RENT INCREASE FOR HELENA OFFICE BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

Motion/Vote: REP. LINDEEN moved DP 1405 FUND ACCREDITATION REVIEW OF THE DEPARTMENT BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

Motion/Vote: SEN. LAIBLE moved DP 1406 LEASE MOTOR POOL VEHICLES BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

New Proposals

Motion/Vote: SEN. BARKUS moved DP 1404 RESTORE OTO FROM '03 BIENNIUM-1.50 FTE BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

Motion/Vote: SEN. LAIBLE moved DP 1407 4.00 FTE BANK EXAMINERS BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

Montana State Lottery

Present Law Adjustments

Motion/Vote: SEN. LAIBLE moved that DP 1501 INDIRECT FIXED COSTS BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

Motion: SEN. BARKUS moved that DP 1502 PER DIEM FOR LOTTERY COMMISSIONERS BE ADOPTED.

Note: SEN. BARKUS left the room.

Discussion:

REP. SINRUD questioned **Jerry LaChere, State Lottery Director**, about the number of commissioners they already have and what their function is. REP. LINDEEN and **Amy Sassano, OBPP**, discussed what the per diem does.

EXHIBIT (jgh12a03)

Vote: Motion carried unanimously 6/0 by voice vote with SEN. BARKUS voting by proxy.

Motion/Vote: SEN. COONEY moved that DP 1503 TRANSFER FUNDS FROM EQUIPMENT TO GOODS PURCHASE RESALE BE ADOPTED. Motion carried unanimously 6/0 by voice vote with SEN. BARKUS voting by proxy.

Motion/Vote: REP. LINDEEN moved that DP 1504 ELIMINATE DEBT SERVICE EXPENSE FOR FY 05 BE ADOPTED. Motion carried unanimously 6/0 by voice vote with SEN. BARKUS voting by proxy.

Note: SEN. BARKUS came back into the room.

{Tape: 3; Side: B; Approx. Time Counter: 13 - 21}

Motion: SEN. LAIBLE moved that DP 1505 PRODUCT COSTS INCREASE BE AMENDED TO HAVE THE FUNDING AMOUNT BROUGHT DOWN TO \$460,000 AS OPPOSED TO \$920,000.

Discussion:

SEN. LAIBLE wanted to hear thoughts from other members regarding reducing the amount, as he has concerns. SEN. COONEY asked for comments from the lottery about how this would impact their plans. Jerry LaChere spoke to reduce possible confusion of what they are actually going to do with this money, which is to increase revenue. To this SEN. LAIBLE withdrew his motion.

Motion: SEN. LAIBLE moved that DP 1505 PRODUCT COSTS INCREASE BE ADOPTED.

Discussion:

REP. LINDEEN made comments with respect to Montana generating profits from the lottery business. She stated her preference would be to reduce the appropriation to exclude the amount required for the game show if the committee were to make a reduction. Mr. DeWitt commented that the committee can only encourage the lottery not to do the show if the funding request for it is eliminated. SEN. BARKUS spoke to not allowing the business to run autonomously, and he told of an indication probable to decrease ticket sales.

SEN. COONEY and Mr. LaChere discussed the interests in the television show, related activities, and the intent of the lottery division.

{Tape: 3; Side: B; Approx. Time Counter: 21 - 30}

REP. SINRUD expressed at length his unwillingness to support a game show.

Committee members and staff reviewed the outcome of all of the discussion and made concluding statements.

Vote: Motion carried 4-2 by roll call vote with REPS. LINDEEN and SINRUD voting no.

Motion/Vote: SEN. BARKUS moved that DP 1506 INCREASE BASE FOR RENT BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

Motion: SEN. BARKUS moved that DP 1507 EQUIPMENT REPLACEMENT BE ADOPTED.

Discussion:

REP. LINDEEN asked **Mr. LaChere** to clarify the online gaming system, which he did.

Vote: Motion carried unanimously 6/0 by voice vote.

Motion/Vote: SEN. BARKUS moved that DP 1509 RETAILER SUPPORT BE ADOPTED. Motion carried unanimously 6/0 by voice vote.

{Tape: 4; Side: A; Approx. Time Counter: 0 - 14}

New Proposal

Motion/Vote: REP. LINDEEN moved DP 1508 PROFESSIONAL SERVICE CONTRACTS (RESTRICTED BIENNIAL OTO). Motion carried unanimously 6/0 by voice vote.

State Personnel Division

Present Law Adjustment

Motion/Vote: REP. LINDEEN moved DP 2307 INDIRECT COST ALLOCATION - HB 002. Motion carried unanimously 6/0 by voice vote.

New Proposal

Motion: SEN. COONEY moved DP 2304 LEASE RATE FOR STATE SPONSORED DAYCARE.

Discussion:

SEN. BARKUS spoke against the subsidy for reasons discussed during the agency overview.

SEN. LAIBLE asked **Mr. DeWitt** to address what would happen if the funding wasn't appropriated. He answered that if the committee did not approve the DP, the division would still have state support of \$27,353 yearly and it would be up to the daycare provider how to shift costs.

Vote: Motion that DP 2304 BE ADOPTED failed 3-3 by roll call vote with **SEN. BARKUS**, **SEN. LAIBLE**, and **REP. SINRUD** voting no.

Motion: **SEN. BARKUS** moved ELIMINATION OF SUBSIDY FOR STATE SPONSORED DAYCARE.

Discussion:

SEN. COONEY requested an explanation of **SEN. BARKUS**. He stood in opposition and provided an argument of support. **REP. SINRUD** questioned if the DP was part of a union contract, which it is not, and he spoke his beliefs on daycare and being liable to the taxpayers. **SEN. BARKUS** stated his argument of fairness to other state employees. He and **SEN. COONEY** discussed their varying positions on the issue. **SEN. LAIBLE** presented his perspective on taking a stand and sending a message that says not everything at this time can be funded due to education and human services being in dire need. **CHAIRMAN BRUEGGEMAN** pointed out that the DP is funded by state special revenue and not general fund which **John McEwen, State Personnel Division Administrator**, explained. **REP. LINDEEN** stated her views on the situation state employees and the committee are in. **SEN. BARKUS** spoke further on his point, suggesting the State Personnel Division consider offering a cafeteria plan to include things like this as an option for state employees to select.

Vote: Motion failed 4-2 by roll call vote with **SEN. COONEY**, **CHAIRMAN BRUEGGEMAN**, **REP. LINDEEN**, and **REP. SINRUD** voting no.

Motion/Vote: **SEN. LAIBLE** moved DP 2306 ELIMINATE 1.13 VACANT FTE. Motion carried unanimously 6/0 by voice vote.

JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND
TRANSPORTATION

January 21, 2003

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ADJOURNMENT

Adjournment: 11:55 A.M.

REP. JOHN BRUEGGEMAN, Chairman

MISTY SHEA, Secretary

JB/MS

EXHIBIT (jgh12aad)